

## MEMORANDUM

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Approval of Vendors with a Potential Conflict of Interest  
**Date:** December 4, 2003

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### **Recommended Action:**

Approve the following additions to the respective institution's list of approved vendors with a potential conflict of interest:

IOWA STATE UNIVERSITY

- EAT IOWA
- Story Construction Co.

IOWA SCHOOL FOR THE DEAF

- Hugh Prickett
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### **Executive Summary:**

Vendors at the Regent institutions with a potential conflict of interest are required by statute to be approved by the Board.

IOWA STATE UNIVERSITY

#### **EAT IOWA**

**Nature of Business:** EAT IOWA sells Iowa grown fruits, vegetables, dairy products, and meats. Glenn Sandler is the owner of EAT IOWA, which is located in Ames, Iowa. He would like to provide goods and services to all Regent institutions.

**Employee Relationship:** Glenn Sandler's wife, Holly Bender, is employed as a full-time faculty member in the College of Veterinary Medicine's Veterinary Pathology Department at Iowa State University.

**Purchasing Authority:** The University reports that Ms. Bender will not participate in any evaluation or award decisions relative to Mr. Sandler's business providing goods or services to Iowa State University.

#### **Story Construction Co.**

**Nature of Business:** Story Construction Co. sells construction-related services including facilities construction, construction management, cost estimating, and design/build services. Larry Dix and Rodney Peterson are stockholders, each owning more than 5% of the company, which is located in Ames, Iowa. Messrs. Dix and Peterson would like to provide their services to all Regent institutions.

**Employee Relationship:** Mr. Dix's wife, Bonnie Dix, is a full-time employee in the Admissions Department and Mr. Peterson's wife, Ronna Jones-Peterson, is a full-time employee in the Seed Science Center / Experiment Station at Iowa State University.

**Purchasing Authority:** The University reports that Bonnie Dix and Ronna Jones-Peterson will not participate in any evaluation or award decisions relative to Story Construction Co. providing goods and services to Iowa State University.

IOWA SCHOOL FOR THE DEAF

**Hugh Prickett**

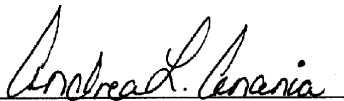
Nature of Business	Hugh Prickett is a sign language interpreter located in Council Bluffs, Iowa. He would like to provide interpreter services to the School.
Employee Relationship	Hugh Prickett's wife, Dr. Jeanne Prickett, is the Superintendent of the Iowa School for the Deaf.
Purchasing Authority	The School reports that Superintendent Prickett will not participate in any evaluations or award decisions relative to the utilization of interpreter services.


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**Background:**

Requirements	<p>The <u>Iowa Code [68B]</u>:</p> <ul style="list-style-type: none"><li>• Does not alleviate the requirement for institutions to obtain competitive bids and provide public notice.</li><li>• Prohibits an official or employee of a regulatory agency from selling, either directly or indirectly, goods or services to the agency of which the individual is an official or employee, except when certain conditions are met.</li><li>• Requires all regulatory agencies to adopt rules specifying the method by which employees may obtain agency consent for exception.</li></ul> <p>The <u>Iowa Administrative Code [681—8.9]</u>:</p> <ul style="list-style-type: none"><li>• Precludes individuals with potential conflicts from being directly involved in the purchasing decisions or authorizing of any such contracts making material changes to such contracts.</li><li>• Requires Board authorization when a single purchase from a conflict of interest vendor (Regent employee) exceeds \$1,000 or a fiscal year's cumulative purchases exceed \$2,000.</li><li>• Requires that a summary of institutional expenditures with approved conflict of interest vendors will be included in the annual purchasing report presented to the Board in November.</li></ul>
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Andrea L. Anania

Approved:   
Gregory S. Nichols